



Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



Vol. VI No. 2

Tuesday, October 17th, 1961.

4th Session, 26th Legislature

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THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, October 17th, 1961

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions  
Reading and Receiving Petitions  
Presenting Reports by Standing and Special Committees  
Notice of Motion  
Introduction of Bills

HON. STERLING R. LYON, Q. C. (Attorney-General) (Fort Garry) introduced Bill No. 3, An Act to amend The Metropolitan Winnipeg Act and to make Provision respecting the final Date for the making of the Annual Estimates in Metropolitan Winnipeg in 1962.

MR. SPEAKER: Orders of the Day. Adjourned debate on the proposed motion of the Honourable the First Minister ....

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Yesterday one matter was left standing. I wonder if the First Minister is prepared to make a statement on that now. I know it doesn't appear at all in the Orders of the Day in any way today.

HON. DUFF ROBLIN (Premier) (Wolseley): My honourable friend is probably referring to the suggestion about the Special Committee of the Whole House. The matter is being considered. I hope to make a statement on it soon.

MR. MORRIS A. GRAY (Inkster): Mr. Speaker, before the Orders of the Day and on a point of privilege, may I read a very brief statement to this House. The world has been frequently dismayed by evidence of instability in that particularly sensitive area the Middle East. The present turmoil occasioned by the break-up of the United Arab Republic is still another instance of this danger spot. This House must surely appreciate that one element of sanity and stability is the State of Israel, and for this reason we answered a call with some feeling that the architect of this stable position is Mr. David Ben Gurion, Prime Minister of Israel, who has just received congratulations from many people of goodwill on the occasion of his 75th birthday, and I believe this House should know it with pleasure.

MR. SPEAKER: Orders of the Day.

MR. MOLGAT: Mr. Speaker, referring back to the matter that we were discussing before, it seems to me, however, that it should be indicated in the Orders of the Day that the matter is standing. However, it is not that serious but as it stands now the whole matter that was set up yesterday doesn't appear at all and I think it should be in the Orders of the Day.

MR. D. L. CAMPBELL (Lakeside): Mr. Speaker, the First Minister has indicated that he doesn't agree with that, but I'm afraid that this is one place where the Honourable the First Minister is not in charge of the business of the House. The rules require these things to be done and it's not within the prerogative of my honourable friend to agree or disagree with what the rules say. Why shouldn't it be on the Order Paper? There was a motion placed on the Order Paper here when we met; it was debated; there was an amendment moved. Shouldn't the honourable members have both the motion and the amendment before them, so that they know what is standing? Many many resolutions have been allowed to stand in this House on other occasions, and have always been printed in the Order Paper. Whether my honourable friend agrees or not it should be there.

MR. ROBLIN: Mr. Speaker, I wonder if the gentleman who has just spoken has taken the trouble to read the Votes and Proceedings, because if he has, which I doubt, he will find that both the resolution and the amendment referred to are printed in Votes and Proceedings and they were both by leave withdrawn. The facts of the matter are clearly set out in the Votes and Proceedings.

MR. CAMPBELL: As the matter stands, Mr. Speaker, we should still have it before us.

MR. ROBLIN: Mr. Speaker, the motions were by leave withdrawn. An alternative motion was substituted which covered part of the subject matter that was under discussion, and it will be necessary for us to consider a further motion at some time to decide what is to be done to these bills and to which committee they are to be referred. I promised to give consideration to that and I'm doing so. At the first opportunity a motion will be brought in to deal with that matter, but the history of what happened is very clearly set out in the Votes and Proceedings.

MR. CAMPBELL: Mr. Chairman, my point is that the motions were not withdrawn. It was allowed to stand. It was allowed to stand -- (Interjection) -- No, my honourable friend said that they were withdrawn in order to present the motion regarding the appointment of the Honourable Member for St. Matthews as Chairman, but there was no withdrawing of the motions. They were allowed to stand.

MR. ROBLIN: Mr. Speaker, that is exactly where my honourable friend is mistaken. It appears he's neither read the Votes and Proceedings nor Hansard, because if he had, he will see that it is quite clearly indicated that these were by leave withdrawn.

MR. CAMPBELL: Mr. Speaker, if there's a point of order that my honourable friend and I are discussing, I have not had the opportunity to read Hansard because it's not put on our desks until we come in here. I've had other business to attend to since we came in here, namely, keeping my honourable friend in order. I've not read the Votes and Proceedings because they, too -- I've seen them for the first time since I came in here. I am very well aware of what happened and, regardless of what my honourable friend said, this motion was allowed to stand.

MR. ROBLIN: I'll be glad to read from Hansard to indicate what the facts are. I am quoting from page eight of Hansard and quoting myself: "Well in that case we will both have to have the leave of the House to withdraw our present motions and I will make a new one, namely, that this House do now proceed to now appoint William G. Martin, Esq., member for the Electoral Division of St. Matthews as Deputy Speaker and Chairman of this Committee and Committees of the House. Mr. Paulley: Leave will be granted so far as we're concerned, Mr. Speaker. Mr. Speaker: Did I understand the First Minister to say that we would withdraw the original motion? Mr. Roblin: We have just received leave of the House, Sir, to withdraw the motion and the amendment thereto and I am submitting a new one naming Mr. Martin Chairman of the Committee of the Whole House. Mr. Speaker presented the motion and after a voice vote declared the motion carried."

So it is as clear as clear can be that these motions were withdrawn by leave, and it really is something we should be able to agree on. It's in the Votes and Proceedings; it's in the Hansard; and I'm sure it's in the memory of members here.

MR. CAMPBELL: If my honourable friend will read a little earlier in Hansard, Mr. Speaker, although I've not had the opportunity of perusing it, if he'll read a little earlier in Hansard he will find that he undertook to let this matter stand. He will also notice that in what he read that although the Honourable the Leader of the CCF agreed to it that there was no agreement by the Honourable the Leader of this Party to the withdrawal of the motion. My honourable friend just suggested that it was withdrawn and presented another motion. --(Interjection) -- My honourable friend undertook to let this stand -- (Interjection) -- read Hansard a little earlier. I haven't seen it but check it out.

MR. ROBLIN: I undertook to consider the matter and to bring in another resolution, and that's what I'm going to do. My honourable friend is just off base. He's plain simple wrong and it's awfully hard for him to admit it.

MR. CAMPBELL: The honourable gentlemen had agreed to let the matter stand. I'll check Hansard, I haven't had time yet.

MR. ROBLIN: Mr. Speaker, there was a considerable discussion on this matter and we discussed whether it should stand or whether it should be withdrawn and the final conclusion was, as I have stated, that it should be withdrawn.

MR. SPEAKER: If there's no further . . . . .

MR. CAMPBELL: Thank you for suggesting that we continue the debate. I'll be glad to after I find this place in Hansard, but I don't suppose that either the Honourable the First Minister or I would object too strenuously if some other business were done in the meantime.

MR. SPEAKER: Orders of the Day. The Honourable the First Minister. Adjourned debate --

MR. MOLGAT: I thank you for the promotion, Mr. Speaker.

MR. SPEAKER: I beg your pardon? --(Interjection) -- Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, there are two basic facts, or principles if you wish, that come out in the bill that's before us in the House here today. The first one is that the Roblin government, contrary to all its pledges before the election, is proceeding to increase taxes --

(Mr. Molgat, cont'd.) . . . . Fact number one. The second is that the Roblin government did not get a fair deal from Ottawa and yet is recommending this new arrangement to this House and to the people of Manitoba. Those, in my opinion, Mr. Speaker, are the basic elements that we are discussing in Bill No. 2.

Now yesterday in his opening statements the First Minister referred to points of order, and referred to them as being inconsequential, window-dressing, absurd and so on. He's quite prone to use those arguments when his own argument is weak. Now I want to make our position very clear in regard to what we said yesterday of having the discussion at the committee stage. Our sole and only interest was to get the complete facts and figures and have an easy means of discussing this most complicated aspect of Dominion-Provincial fiscal arrangement. This was done in Ottawa. We felt that the same procedure here would speed up the discussion; would give us all the facts; and mainly, would ensure that the people of Manitoba would know exactly where they stand on this proposal.

The basic questions to us are simply these: Is the taxpayer of Manitoba getting a fair deal? Why is the Manitoba taxpayer, according to this bill, being forced to pay more than his share of taxes? My honourable friend did not seem prepared yesterday to have a discussion in committee. I will say that he agreed to give some of the figures later but he did not want to be in the position of cross-examination in the committee. I'll come back to that matter later on today.

Coming back to the first principle -- the Roblin government is increasing taxes by this bill. There is no need to remind the members of the House of the promises made before the election. Just one sentence is sufficient. The one on television made by the Premier himself: "I give you my solemn pledge that the budget is balanced, that there will be no increase in taxes." Mr. Speaker, this bill is an increase in taxes; it's a substantial increase in taxes; it's an increase in the tax to which we disagree completely in principle. Referring back to the bill itself, there's some particular items of principle that I would like to call the attention of the House. In his speech, the approach to this, the comments made in the Speech from the Throne the government indicated that this was to be mainly a hospital services tax, that the imposition of an income tax in the Province of Manitoba was tied directly to the fact that there was to be a reduction in the premiums paid on hospitalization and this was the purpose of the bill. I'd like to point out, Mr. Speaker, that apart from a statement in the preamble saying that it's desirable to make provision for more equitable distribution of the costs of hospital services among the people of Manitoba -- a statement with which we agree -- apart from this statement, there is nothing in this bill in the operative part that tie the income tax in any way to a hospital services premium or to a reduction of same. The bill simply states in the operative part insofar as the tax is concerned in section six, page five, that "the purpose of this is in order to the raising of revenue for the purposes of the Government of Manitoba." Mr. Speaker, this is a general tax. It is not on this basis a tax for hospital premiums. True, the Premier did say that he would effect a reduction, but we have no guarantee whatever that the amounts of money raised by this tax will be used for that purpose only. We have no guarantee that the transfers will be made completely to the Hospital Services Plan. In our opinion, the use of the premiums in the way that they were done tying it in with this was a smoke screen for what is actually an increase in taxation that we cannot gauge at this time. It's impossible for us to tell what the total impact will be and what the total figures will be. If my honourable friend intends this to be, as he stated, for the purposes of reducing the premiums then it should so appear in the bill, and the bill should state that the revenues from this source will be transferred to the Hospital Services Plan and used for the reduction of the premiums. Under any other basis it seems to us that it is simply a general tax imposed by this government.

The second particular point of the bill is the confusion which I think arose from the statements of my honourable friend the First Minister when he referred to this as a one percent tax. Brought up this way, Mr. Speaker, it seems like a small amount of tax -- 1%. However, when you analyze the possibilities of the thing; when you look at the actual wording of the bill -- and this, I think, we have to be very careful about -- it's not 1% of the tax being raised at the present, it is 1% of the total taxable income in the Province of Manitoba -- the total taxable income. Under section six again, subsection two, sets up the right of the Lieutenant-Governor-in-Council to proceed and vary the rates. Now we certainly will not disagree with having the rates on an accelerated basis as incomes increase. We don't disagree with that. But, in our

(Mr. Molgat, cont'd.) . . . opinion, it should be clearly so stated in the Act. Now yesterday my honourable friend simply stated 1%. When interviewed on the television this was again the inference given and I'm sure there's a very substantial amount of confusion today in the people of Manitoba. I think that if they're being asked to pay an additional tax as this bill provides that it should be clearly stated in the bill what rates they are going to pay. To the best of my knowledge, the Federal bill provides exactly that -- a clearly stated schedule. This schedule should become part of this bill.

The third point which I want to check on further, I must confess that I have read the bill as carefully as I could, but in the preparation for session we sometimes do not get to all the points, we would want the assurance that any future increases in this tax could only be done by reference to this House and not be done simply by regulation outside of the House or by Lieutenant-Governor-in-Council. However, Mr. Speaker, our objection to this bill and this tax is an objection of principle. In our opinion there should not be a provincial income tax. This is something that we got away from in Canada 20 years ago. The Province of Manitoba has not imposed an income tax since the '30s. The whole purpose of the Rowell Sirois Commission, the whole arrangements in the past have been leading towards a more simplified taxation system. It's true that other provinces had an income tax, but they were by far the minority, and certainly this province has been without such an element for some time. In our opinion this is right; it's right on one particular basis -- main basis I should say. The Province of Manitoba cannot reach all of the earned income that it should reach by establishing a provincial income tax. A great deal of the income that is collectable only in other provinces is not earned in those provinces alone but earned across Canada. That is the very nature of our country, and this is a basic element. Let us take for example one industry alone, and I'm not picking on it, simply as an example -- the automotive industry. The figures provided by themselves show that in 1960, for example, the total sales of automobiles and all motor vehicles in Canada were approximately 523,000. Of this amount, 216,000 only were sold in the Province of Ontario; the others were sold across the country. Now in this figure I realize that this includes imports, it includes some small production in other areas. We have here some plants that produce motor vehicles, but we all know that the bulk of the automotive industry is concentrated in the Province of Ontario. Turning now to what this has meant to the provinces in salaries, we find that in 1960 the automotive industry alone paid out salaries and wages of \$168 million. Again, by the very nature of our country, the fact that the plants are concentrated in Ontario all of this personal income -- well most of it by far -- was concentrated in that one province, the Province of Manitoba cannot touch that type of income. And this is repeated in most of our major industries. This is the nature of the Canadian scene, the fact that head offices are concentrated in eastern Canada; the fact that the big salaries by and large are concentrated at head offices and the Province of Manitoba cannot touch those on a personal income tax basis. The corporate income does bring in an element of earned income but the provincial personal tax does not. In our opinion this is a wrong principle; one that we should not accept. There is the further element, of course, that this adds more complication to the tax structure. The ideal procedure insofar as Canada is concerned is a simplification of our tax structure, not a complication of it. Mr. Speaker, in our opinion the establishment of a provincial income tax is wrong. It's wrong in principle. We will oppose it.

I want to refer now, Mr. Speaker, to the second element which I find in this bill and that is, is Manitoba getting a fair share of the national income and is the new plan offered to us by the Diefenbaker Government fair to the Province of Manitoba and fair to Canada as a whole?

I'd like to remind the House first of some of the promises that were made to Canadians before the general elections. We all remember the one that Mr. Diefenbaker assured us "they would be done in the spirit of amity and understanding and so on." I'll not repeat it now. But there are some specific promises that are of great importance to us. For example, when speaking to the Board of Trade in Toronto on the 4th February, 1957, Mr. Diefenbaker then stated: "No sector of our country should have special privileges." Speaking in Halifax or as reported in the Halifax Chronicle Herald on another occasion he said, "We believe in one Canada with equal opportunities for Canadians in every part of this country. Clear indications of no sectional advantages, the same deal for everyone -- equal opportunities." I'd like to add that much more recently than this when speaking to the conference my honourable friend

(Mr. Molgat, cont'd.) . . . . attended in Ottawa in 1960, July 25th, 26th and 27th, I'm reading from the report of the Conference, Page 10, the Prime Minister, Mr. Diefenbaker stated, "That I want to make this abundantly clear on behalf of the Dominion Government that whatever the ultimate decision may be, the principle of equalization must be preserved. Equalization, the second component is a payment by Canada to the provinces to bring the per capita return from the three taxes at standard rates up to the average per capita yield in the two provinces in which per capita yield is highest. For provinces in which the tax potential is relatively low, this principle is the most important." -- with which I agree. Again I'm skipping now a paragraph, quoting again, -- "Again I wish to emphasize that the Federal Government remains firmly committed to the principle of equalization and of financial assistance to those provinces in which incomes and taxable capacities are below those of the richer provinces." Mr. Speaker, this statement of equalization is the one that the Prime Minister made. My honourable friend across the way says that he believes equalization should be to the top province. This is the stand that we took ourselves in the past. This was the stand given by my honourable colleague, the Member for Lakeside, when he was in my honourable friend's position and made his presentation to Ottawa -- the top province. The Prime Minister says the two top provinces which was the past basis.

Mr. Speaker, these were the promises made not just to the people of Manitoba, but to the people of Canada prior to the election. From these statements surely we have the right to expect a fairer share of the revenues of Canada under these agreements. We have a right to expect at least an equalization to the top two provinces, which was the Prime Minister's own statements. We have a right to expect the assurance that no part of this country will have special privileges; and we had the right to expect that this would be achieved in the spirit of amity, understanding and agreement. Mr. Speaker, none of this has been accomplished. I'll not go at this stage into all the details of the so-called new deal. There are many aspect of it, most of them disastrous weaknesses, insofar as the Canadian scene is concerned: the loss of fiscal control by Ottawa, the fact that it is a "jerry-built" scheme designed for one province with special agreements and guarantees for all the other provinces to make it work; the loss of years of work towards a more simple and sound taxation system in Canada; a return to the tax jungle. My honourable friend referred to it yesterday. He doesn't like the term. Well, the fact is that it is so. These matters I will leave for the debate on the Speech from the Throne. We'll have more to say on those items. There is one thing I do want to say however, before leaving the general aspect and that is, we do agree with the inclusion of the natural resources in the calculation of the ability to pay in various provinces. Although this is the temporary benefit of the Province of Manitoba, this is not our main reason for saying this; we believe it's a sound principle and in keeping with the ability to pay principle, which is the basis of the past agreements that this province has signed with Ottawa, and I specifically state "past agreements" because that is now gone.

I want to come back, Mr. Speaker, to the main point in this whole session and in the bill before us. Did we get a fair deal from Ottawa, and are the taxpayers of Manitoba getting a fair deal, or are they paying more for the same services than other provinces. Yesterday, we asked the First Minister for figures. We wanted to discuss this in committee, so we could discuss these figures; he didn't want to do this, but he did provide me with the figures subsequently. I received one set yesterday afternoon; I received a further set, I presume sometime today, I found them on my desk. Mr. Speaker, these figures are in our opinion totally insufficient; they provide only figures for the Province of Manitoba. I'll agree, that this is important, obviously, to know exactly where the Province of Manitoba goes; to know how many dollars and cents we are going to receive from this is of essential importance, but it's not the only important factor, there is another one that is basic to the whole agreement and that is; are we being treated fairly, or are other provinces receiving more than we are under the present agreement? And, Mr. Speaker, I do not see how a province could possibly enter into an agreement with Ottawa without knowing those figures. How can the First Minister of this province, suggest to this House, that we should accept this legislation without being able to assure that we are getting our fair share. And unless you have comparable figures with other provinces, how do you know if you are getting your fair share? It seems to me that with the staff my honourable friend has available in his departments, that they could make a projection and get

(Mr. Molgat, cont'd.) . . . the figures for the other provinces, and if he tells me that this is impossible, then what about the Federal Government? Surely they have that information available. How could they conceivably, Mr. Speaker, be entering into negotiations with the provinces unless they have those projections for the provinces, for all provinces? How can they conceivably be going into five year agreements if they are unable to say where the arrangements are going to go over the span of five years. We all admit that there can be changes, certainly -- new factors come up, new developments, but surely we can start from one base and using that same base for the various provinces, we can see where we are going. And if my honourable friend tells me, that he doesn't know, for the other provinces, that he doesn't know how we compare with them, then I say he had no right to sign that agreement, and he has no right to ask this House to ratify any of it or to come to the people of Manitoba and tell them that this is what we should proceed to do. This is absolutely essential to the whole scheme and we want to know, whether the taxpayers of Manitoba are being adequately protected.

Mr. Speaker, in the basence of the figures from my honourable friend, we have proceeded to produce some ourselves. This matter to us is of much too great importance to proceed without some attempt to get exactly the relationship the Province of Manitoba will find itself with other provinces, and I want to have these tables, Mr. Speaker, included in the Hansard. I can proceed to read them into the Hansard or table them. I shall table them on the assurance then that we will get the tables completely in Hansard. However, I do want to read the main figures, because they are a part of the discussion this afternoon. The first table, Mr. Speaker, is one that gives a projected table on a per capita basis with provincial population of 1960. It shows the results under the present system of 13-9-50; the results in 1962 under the new basis of 16-9-50, and a projection to 1966, when we presumably reach 20-9-50. On those figures, Mr. Speaker, the Province of Manitoba stays the same under the present agreement, or the new agreement, and this is because of the guarantee factor. If it wasn't for that we would go down. But over the term of the agreement until 1966, we apparently only increase by a couple of dollars per capita -- from \$46.00 per capita, to approximately \$48.00 per capita. What happens to other provinces? Well our neighbour Saskatchewan, stays exactly the same; they're worse off, they stay at straight \$46.00. Alberta goes down because of the natural resources. B. C. goes up slightly, down first and up slightly. Quebec goes up very slightly. The Maritime provinces by and large benefit because of the extra grant that they get, the ten million extra. But the big winner in it all, Mr. Speaker, is the Province of Ontario. It goes up from \$48.00 under the present agreement to \$51.00 immediately, and \$52.00 under the new agreement, and finally up to \$57.00 per head at the end of the five years. In other words, Mr. Speaker, from the present picture in Ontario of \$48.00 up \$9.00 a head to \$57.00; the Province of Manitoba from the present figure of 46 up \$2.00 a head to 48.

The next table, Mr. Speaker, is even more interesting. It's a projected table as well on a per capita basis, using Ontario as a fixed figure, as an index, basing it at 100. When you analyze this one, Mr. Speaker, this leaves Ontario of course as a fixed base, every other province in Canada comes down, bar none. The Province of Manitoba starting off from a basis under the present plan of 95.8 goes down under the new plan to 90.2; goes down at the end of the five years, in 1966, to 84.2 -- a very substantial decrease in our position relative to Ontario. And this, Mr. Speaker, in my opinion is absolutely basic to our whole plan.

We go back to the promises that my honourable friend's great friend in Ottawa made -- "no special privileges, equal opportunity for everyone". How does this square with those statements? By a combination of the work of the Federal Government in Ottawa and this government and by acquiescing to the demands of the Province of Ontario, the taxpayers of Manitoba are being forced to pay higher taxes. My honourable friend can say, "Well, it's the best I can do." He told us that yesterday; that really he wasn't keen on the agreement, but it was the best he can do. Well, I would like to remind him, Mr. Speaker, that before the election that wasn't what he was telling the people of Manitoba. He was telling them then, you know you will be a lot better off if there is the same stripe of Government in Ottawa and in the Province of Manitoba -- we'll get more from Ottawa -- (Interjection) -- well, if this is what getting more from Ottawa means, if my honourable friend is content to get, I'll admit, a few more dollars, but relative to the Province of Ontario, to find the Province of Manitoba going backwards, then I say it is high time that we changed the stripe of both governments, the one in Ottawa and the



(Mr. Molgat, cont'd.) . . . . one here. I say to my honourable friend, that possibly this is the best deal he could do, but he shouldn't be accepting it this meekly; he shouldn't be protecting his friend in Ottawa. He should be standing up in this province and saying that we've been done in; that the Province of Ontario has obtained its payment from the Federal Government for its support in elections, and that this government is agreeing to it and letting it do this; that the Province of Ontario is the only winner under this plan; that the remainder of Canada is paying for it. As long as my honourable friend is Premier of this Province, he should be taking care of the interests of this province, and cease protecting the Federal Government as he is, and he should say plainly to Manitobans that we've got a rotten deal, because this is all that the present arrangement is, Mr. Speaker. The Province of Manitoba is not getting what it should relative to the Province of Ontario and the taxpayers of Manitoba will have to pay for it. Our Party will oppose this plan, we will oppose its principle with all our might and we will endeavour to the best of our ability to make sure that the people of Manitoba realize and understand the implications of this unfair deal for this province. -- (Interjection) --

Projected Table on a Per Capita Basis  
With Provincial Population of 1960

	Present System	New System	
	(13-9-50)	1962 (16-9-50)	1966 (20-9-50)
Nfld.	63	68	72
P. E. I.	71	80	83
N. S.	57	60	64
N. B.	59	60	64
Q.	46	46	47
O.	48	51	57
M.	46	46	48
S.	46	46	46
A.	46	43	43
B. C.	46	45	50

Projected Table of Per Capita Yields  
on an Index Basis  
Ontario per capita - 100

	Present System	New System	
	(13-9-50)	1962 (16-9-50)	1966 (20-9-50)
Nfld.	131.2	133.3	126.3
P. E. I.	147.9	156.8	145.6
N. S.	118.8	117.6	112.2
N. B.	123.0	117.6	112.2
Q.	95.8	90.2	82.4
O.	100.0	100.0	100.0
M.	95.8	90.2	84.2
S.	95.8	90.2	82.4
A.	95.8	84.3	75.4
B. C.	95.8	88.2	87.7

MR. ROBLIN: Mr. Speaker, could I ask my honourable friend a question before we proceed with the debate?

MR. SPEAKER: Surely.

MR. ROBLIN: I'd just like to ask him whether he intends to explain his hospital premium plan to the House.

MR. MOLGAT: Yes, I certainly intend to do that when we come along to the Throne Speech debate. I stayed at this time now strictly to the matters of the bill. I found very little in your bill with regard to the hospital premiums. I find it difficult to discuss it at this stage.

MR. ROBLIN: The hospital premium payers will find more in it than you do my friend  
-- (Interjection) --

MR. RUSSELL PAULLEY (Leader of the CCF Party) (Radisson): Oh yes, Tommy's doing all right, coast to coast. Mr. Speaker, unlike the Leader of the Opposition, it is my intention at this time to cover more thoroughly, in my opinion, the whole principle of the bill that we have before us, and like the First Minister make reference to the hospitalization scheme of Manitoba. I think I will be quite within my bounds, Mr. Speaker, to do this and that I will not deviate from the rules of this House in doing so. I think, Sir, that this is one of the most important pieces of legislation that this House has had to deal with for many a time. It is our opinion, Sir, that the clock of progress for Manitoba, and for Canada, as a whole, have been turned back to 1867 by the actions of the Conservative Government at Ottawa. Our Prime Minister there has declared that constitutionally should take precedence over years of negotiation for a more uniform revenue between the provinces of Canada. One cannot argue too strongly, Sir, that under The British America Act the provinces were responsible for collecting their required revenues. However, Sir, since 1942 and until the present Conservative Government took office in Ottawa, the Federal Government and most of the provinces were able to agree to a generally acceptable agreement to share in the standard tax field. True the arrangements over the last 20 years were not always what the provinces wanted, but they were considerably better than when each province levied its own taxes. Under the tax rental and tax sharing agreements the taxpayers in each of the provinces were reasonably assured of similar services and benefits for the tax dollar they pay. Under the former system prior to the Federal-Provincial agreement of each province on its own -- and to which, Sir, we are now returning as a result of this bill -- taxation rates and services will fluctuate greatly as between the provinces. The benefits to Canada and its provinces as a result of the Rowell-Sirois Report are to be scrapped because the Prime Minister has declared in a policy of "to each his own". It almost seems a travesty of justice, Mr. Speaker, that as we begin now to prepare for the celebration of 100 years of Confederation, that the Conservative Government at Ottawa, aided by this one, have decreed that insofar as Provincial-Federal fiscal policy is concerned we should go back to 1867. Manitoba for years, Sir, has favoured tax rental, tax sharing agreements with Ottawa, and may say, Sir, that during these periods from the first agreement in 1941-42 we have had both Liberal and Liberal Conservative coalition in government, unfortunately of course for Manitoba. As yet we have not had a CCF or a New Party. Indeed, Sir, as far back as 1937 when the Royal Commission on Dominion-Provincial relations first started hearings, Manitoba was the first province to be heard.

I think it would be interesting to hear what our Premier of that day had to say to the Commission. Incidentally, Sir, the then Premier of Manitoba eventually was chosen, for a time, the National Leader of the Conservative Party. And what did this spokesman for Manitoba, and for a time a spokesman for the Conservative Party have to say on behalf of Manitoba 25 years ago? "It is our opinion" -- and I am quoting, Sir, from the submission of Manitoba's case, Part 1 - Introduction to the Royal Commission on Dominion-Provincial Relations in 1937 -- "It is our opinion that the time is now long past due when in the interests of the nation as a whole a review of the relationships then set up should be made in order that we may meet the changed condition of today including the altered conception of the responsibilities of government and the constitutional handicaps which now tie the nation's hands in dealing with some of its major problems in order that we may further promote stability and progress of Canada. We believe it to be necessary that not only a review of the relations of each part of the whole be made, but also that a revision of the original setup be recommended by this Commission and the necessary steps taken by the Dominion Government to make it effective." Further on, -- "There can hardly be found any greater opportunity to serve the Canadian nation than that which is the greatest challenge to Canadians than that which is yours today. It is an opportunity which carries with it which is probably the greatest challenge to Canadian statesmanship that has presented itself in this generation. Among its chief purposes it seems to us is that of helping to bring about not only a more united Canada, but also a Canada in which all its people will have the consciousness that insofar as the division of responsibilities under their governmental setup is concerned is as equitable, as efficient and as just as is possible for human minds to effect. If as a result of your work such a revision of Dominion-Provincial relations can be made or such a readjustment of Dominion-Provincial responsibilities effected that will accomplish

(Mr. Paulley, cont'd.) . . . . this purpose, a long step forward will have been taken in strengthening the spirit of Canadian unity in binding more closely together the different economic areas within the country."

This, Sir, was the stand that was taken by this province in 1937. This is the principle that is being set aside by this bill that we have before us in this House today. Forgotten, apparently, are the basic principles that were enunciated in this statement of a principle and a policy for Manitoba which would serve to unite, rather than disunite, all of the peoples of Canada into a mighty nation. This, Sir, was the attitude of Manitoba in 1937. This attitude was the correct one, and yet, Sir, as one peruses the volumes of Hansard of all of the sessions before which the very vital problem of Dominion-Provincial relationships, when one peruses the record of Hansard which contains all of these items, not one representative from the Province of Manitoba, Sir, first of all took part in the debate, and not one supported the cause of the Province of Manitoba. And what has been the attitude of our present government in Manitoba? I must be fair and say that our Premier has stated that he would not yet like to see an abandonment of the former tax rental agreements. He has been quoted as saying that he would hold Ottawa responsible for any increase in provincial taxation; he has expressed himself as being glad that the first proposal of the Federal Minister of Finance regarding the basis of equalization has been changed. He has stated that at least we'll be no worse off for the first two years under the agreement than under the old formula, and he has apparently accepted this change for Manitoba. But, Sir, my friend the First Minister of this House has also told us on many occasions of what are the needs of Manitoba. In our last session he informed us that we will have to embark on a program of road expansion, if I recall correctly, some 240 millions of dollars over the next 20 years. We have before us now, and I presume that we will be discussing along with the Minister of Health and Welfare, the report of the Commission investigating hospital facilities which are going to require huge and additional sums. We have before us or the government has before it, constant pressure from Municipal Governments for increased revenues in order to operate, and yet, Sir, under this agreement between Ottawa which we are in effect giving our stamp to by the passing of this legislation, our First Minister tells us: "Well boys, don't worry too much about it; I've done fine. I changed Mr. Fleming's mind insofar as equalization is concerned and I'm not going to be any worse off for at least two years, than we were before we started any negotiations with Ottawa."

I say, Sir, that this is not good enough. When we, Manitoba, entered into Confederation we were called the postage stamp province. It now appears, Sir, that we're a rubber stamp province. Now why do I say a rubber stamp province? Simply because in my opinion our Premier here has too readily accepted the deal proposed by his "fellow Canadian" at Ottawa. In July 1960 our Premier was firm before the conference then being held, that Manitoba could not meet the needs of the province and the municipalities of our province unless a new arrangement based on a 15-15-50 split equalized to the highest province, was agreed upon. I'd just like to make the quote, Sir, of a press release of that day -- Free Press of July 24th -- where the Premier is reported to have said: "Manitoba cannot accept the proposition, that the needs of the provinces and the municipalities can only be met after all considerations have been disposed of". It went on to say, that the least possible -- the Manitoba Premier reiterated the demand he made at the preliminary conference -- for a greater share of tax revenues based on 15% of the Federal individual income tax; 15% of corporate profit and 50% of Canada's estates tax revenue equalized to the highest provincial per capita yield. Even this proposed improvement would contribute nothing to necessary capital development.

This conference that I refer to, Sir, July 1960, ended in complete failure and then in 1960 in October, the Prime Minister of Canada and his Minister of Finance really put the skids under the provinces. They scared the daylight out of them by suggesting a freeze on equalization, based on a freeze of \$220 million per year for the next five years. Naturally this proposal was not acceptable to Manitoba or to the other provinces, but being a very astute politician, our Prime Minister of Canada at that time said to the boys, the Premiers in the respective provinces of Canada: "Lood, boys, here it is. Think it over; I'll call you back sometime in the future, but think this one over. This is it." Well, the boys did think it over. The Prime Minister recalled them in February of this year, and when they met in February of this year, the astuteness of the Prime Minister had paid off. His new proposals which we are to deal

(Mr. Paulley, cont'd.) . . . with at this session altered the equalization formula to one which takes into account some growth, and it enabled our First Minister of Manitoba, as quoted in the Tribune of February 24th of this year, to say: "I think the Federal Government has listened to Manitoba." And what about the new agreement? After scaring the provinces with his fixed equalization formula, the Prime Minister came up with the present scheme for which we have no alternative at this stage but to pass, even though, when I say that, Mr. Speaker, I want to give due notice that as far as our group is concerned, we are going to vote against it on the basis of principle. -- (Interjection) -- That's right. That's right. And I might say, Sir, I might say to my learned friend that the Government of Saskatchewan, which is a government that holds the same view as I do, are forced into this position as well as the Conservative Government of Manitoba -- but there's a difference. I would suggest to my honourable friend that he look over the landscape all across Canada. Liberal Governments as well are going to pass this. So, when I say, Sir, we are opposed to the principle and are going to vote against it, I realize the position. But, Sir, I think that I am on firm ground when I make a comparative difference between the attitude of the First Minister of the province to the west of us and ours, and I'll return to that in a few moments. What has the Premier of Manitoba now to say? Mighty John Diefenbaker has consoled our Premier, because at least we will be better off than under the 1957 agreement. And we certainly will. That agreement was never acceptable wholly to the provinces. That agreement, Sir, was the great contribution made by a government in Ottawa that had the affiliation of my honourable friends on my right. It was never ever acceptable to anybody.

MR. CAMPBELL: But we voted for it.

MR. PAULLEY: Certainly you did, because you at that time, like my honourable friend opposite, was just a follower of the boy at Ottawa.

MR. CAMPBELL: . . . . don't like it, but vote against it.

MR. PAULLEY: Now then. Again as one reads Hansard we find this referred to and the only rebuttal, or the major rebuttal of the Conservative ranks at Ottawa, is that well, at least our agreement is a little bit better than yours was. What tommyrot; what nonsense. However, the attitude of our Premier is revealed, Sir, in correspondence between the office of the Premier of Manitoba and the Prime Minister of Canada. It is recorded on Page 8,765 of the Hansard of September 22nd. I like this. How indicative of the tremendous fight that our First Minister put up on behalf of the people of Manitoba, and I quote from that letter: "It must be acknowledged that there are aspects of your announcement which represent a decided improvement over the Federal-Provincial agreement 1957, and indeed it is estimated that Manitoba will likely benefit financially at least to some extent during the course of the new arrangement, even after the amendments of 1958 are taken into account." That was the reply of my friend the Premier of Manitoba; and what was the reply of Great Boy at Ottawa? "Thank you for your letter of August 23rd referring to the prospective Federal-Provincial fiscal arrangements for the period commencing April 1st. I am glad to have your views that the arrangements which have now been proposed for the new period commencing April 1st, 1962 are a decided improvement over the agreement of 1957, and represent an improvement even over the 1958 amendment of the agreement which raised the provincial share of personal income tax from 10 to 13%." It may be said, Sir, what else could our Premier have done? He could have been more insistent upon another conference. He could have requested . . . .

MR. ROBLIN: I did.

MR. PAULLEY: He could have requested a continuation of the present agreement at least until the power to amend our constitution was vested in Canada, so that a new provincial allocation of responsibilities might have been agreed upon between the Federal and Provincial Governments. It's with satisfaction that we note that the conference of the Attorney-General has met with considerable success. We look forward as a result of its success to changes in our constitution to bring it more up to date. But in the meantime what security has Manitoba got that in the name of constitutionality the Ottawa Government may make other changes which will adversely affect us? I recall that when the Member for Lakeside was Premier of Manitoba, Ottawa withdrew from sharing in the physical fitness program. The result was that he, this Manitoban, would not take up the slack financially in order that the program might continue in the Province of Manitoba. And so our program for physical fitness in Manitoba has suffered

(Mr. Paulley, cont'd.) . . . ever since as a result of that. So, Sir, I say yes, it was under a Liberal Government there and a Liberal Government here; at the present time under a Conservative Government here and a Conservative Government at Ottawa, we have something similar taking place insofar as joint efforts are concerned that has been established for years in this tax collection and tax rental agreement. And I suggest this, and I ask this question: Cannot this, Sir, also happen in other fields in the name of constitutionality? Cannot -- so nobody gets it -- right, my learned friend, and how learned he is, so nobody gets it -- (Interjection) -- What an intelligent remark. That's the very basis on which we operate -- then I'll get it, not nobody. And I would say this, I would say this to my honourable friend. Sure no one in Manitoba would get it if the same attitude and action was taken in respect of other fields as was taken in respect of physical fitness in the Province of Manitoba. I don't think my friend really meant that. Have we any guarantee that any other shared programs will not be ended by Ottawa. Is it not possible that to restore to Canada constitutionality, to restore it to the provinces, that other programs in the field of health and in roads and so on will be made the sole responsibilities of the province. In order to carry out the announced programs of this Government of Manitoba, greatly increased revenues are necessary. Under the present federal proposal this needed revenue will not be forthcoming. How can it, so far as Manitoba is concerned, when according to the recent news items of tax collections in Canada, the City of Winnipeg stood 31st, in the cities across Canada. The money is just simply not there. At the present time we are facing increased Provincial-Municipal and school expenditures. These are necessary! Despite the scolding of the Minister of Municipal Affairs at Portage la Prairie recently to the Manitoba Urban Association, our municipalities are facing increasing problems of finance. In the urban area of Greater Winnipeg in particular, the mere shifting of revenues from local councils to Metro will not solve the problem of the local taxpayers. Greater provincial financial aid must be forthcoming to our municipal councils and schoolboards. This added and needed revenue must come from the general prosperity of Canada. While we all have a great pride in this province of ours, the fact still remains that we are not a wealthy province and if our people are to be on a par with other fellow Canadians we must have increased, not lessened, revenues from federal sources. I say, Sir, that the Conservative Government at Ottawa has failed the citizens of Canada in these new proposals. Legally they may be right in insisting the province accept their constitutional rights and obligations. They may be politically right in reducing their level of taxation on the public in order to present a better picture to the electorate at the next election, but in our opinion they are doing Canada and this province a disservice in forcing this type of legislation upon us. Imagine what would happen in this province of ours if this government or this legislature suddenly took place upon our municipalities their so-called responsibility of social welfare and relief such as it was before Confederation. The result would be unequal treatment of many of our citizens. Mr. Speaker, we of this group protest so strongly the dictatorial attitude of the Conservative Government of John Diefenbaker and we oppose the abandonment of the principle of sharing Canada's wealth, provincially as well as nationally.

Now, Sir, I'd like to say a few things in connection with hospitalization, if I haven't exhausted my time. Now, Sir, a few comments on hospitalization. This is permissive, of course, because of the fact that within the bill is contained a sentence, the head of a paragraph which reads something to the effect of "Hospital Service Tax". I know that the government is adopting to a considerable degree the suggestion that we made when rates were drastically increased in June of 1960. At that time we maintained that more financial revenue from Provincial Treasury revenue should be used to keep the rates at a more reasonable level. It is unfortunate, in our opinion, that due to the new arrangement with Ottawa not giving us sufficient revenue to do this otherwise, that we must now impose a provincial income tax. I must say, Sir, that in general we of our Party agree in the principles of income tax as a method of raising revenue. We make this suggestion, insofar as the federal legislation is concerned, that it may have been more acceptable had there been a higher increase in the corporation tax than the 1%. The Premier has stated in his address yesterday, Sir, that we have approximately 364,000 eligible to pay premiums in the Province of Manitoba of whom 35,000 do not pay. He claims that under this proposed provincial income tax basis that 267,000 will pay less in overall costs of hospitalization and 61,000 will pay more. This seems to indicate that relief will be extended to those on lower

(Mr. Paulley, cont'd.) . . . incomes. While this may be true, many who do not have taxable incomes at all will still be faced with the necessity of paying premiums to hospitalization. The Premier has stated that premiums will be reduced to \$2.00 per single persons; \$4.00 per couple. I say, Sir, that this was a burden before 1960 when the rates were increased on many people. It will still be a burden on those whose income is not high enough to be taxable but too high to qualify for exemption under The Social Assistance Act or The Old Age Assistance Act. When the increase was announced in 1960 of a 50% increase in the premium, we maintained that the premiums should not have been increased so drastically and that any increase that was necessary at that time should have been made on an annual basis rather than on a projected over three-year basis. This establishes in my opinion that because the rate increase was projected over a period of years that those who have been paying that increased amount of \$3.00 and \$6.00 in premiums from 1960 have now simply paid too much. According to a news report of September '61 -- I'm sorry, Mr. Speaker, I haven't the date, but it is a compilation of tax returns to Ottawa -- in 1959 there were a total of 212,465 taxable income returns made in Manitoba and submitted to Ottawa. Yes, thank you, September 11th. This is an illustration, Sir, that there must be a very large number of people in the Province of Manitoba who have to pay premiums and yet have no taxable income -- for if we take the figures that my honourable friend the First Minister gave us yesterday, and I just referred to them, 364,000 eligible to pay, deducting that by 35,000 or so, and take the difference between those who were taxable, liable, in the year 1959, we come to a figure of 116,500 people who have to pay premiums in the Province of Manitoba and yet have not sufficient income to be taxable. I say, Sir, there's a field here that requires considerable investigation. And there's another group, Sir, of premium payers who apparently will still have to continue the payment of premiums who have little or no income at all. I refer to the dependent children over the age of 19 years and who are not mentally or physically incapacitated. This includes many of our young men and women who are attending our schools and universities. When the Roblin government had under consideration the alleviation of the hardships caused by premium payments, this is a group which should have also been given more consideration. It may be necessary to have Ottawa change their legislation to achieve this, but I suggest, Sir, that this Government of Manitoba has been negligent in not having this done either at this time or prior. Now, Sir, I note that in the Act before us provision is made in the computing of the Hospitalization Servicing Tax that the Lieutenant-Governor-in-Council shall determine the rate of tax as a percentage of the federal tax. I would like the Premier, or the Treasurer to fully explain this. I think it will put a different complexion on the percentage increase in the tax payable by an individual.

On talking to many people this morning and since the announcement was made by the government, they are under the impression that the increased tax payable of 1% will be on their tax bill -- when in effect their actual tax increase in dollars and cents will be a considerably higher percent. I would also like the First Minister, if he would, to supply the House with tables showing the actual increase in taxes payable in the different income categories. I would further ask him if the 1% on taxable income for hospital services purposes will only apply to the actual federal portion of the income tax; or will it be based on the provincial tax portion of 16%. There may be some question as to whether or not this additional 1% in respect of the federal taxable income is a surtax on federal taxable income. All in all, Mr. Speaker, it appears to me that while the picture in respect of hospital premiums has been improved to some degree, it still falls short of what is desired.

My closing comments, Sir -- I'm sure the House will appreciate that -- will be to draw to the attention of the House the difference in the attitude between this Conservative Government who are trying merely to substantiate the actions of their colleagues in Ottawa, rather than to retain for Manitoba the long-established policy of having a fair share of the national welfare come to our province. To illustrate this, Sir, may I make reference to two addresses which were read to two different legislatures within a week. Ours here, read by His Honour just yesterday. "Prime Ministers will place before you a measure respecting an income tax collection agreement and to provide the means to give effect to a reduction in the hospital premiums rates. You will be asked to consider a bill to amend The Metropolitan Winnipeg Act." Nothing there, Sir, of any regret; no condemnation; but merely the fact that we're going to do it. To the west of us, His Honour there also read an address to the members of the Saskatchewan Legislature

(Mr. Paulley, cont'd.) . . . in which is stated this: "For almost two decades arrangements have existed between Canada and most of the provinces facilitating the collection of income taxes, corporation taxes and succession duties to the Government of Canada and providing for payment to the provinces of a share of the total proceeds of these taxes on an equalized basis. The resulting agreements have represented an important instrument in the hands of the Federal Government for shaping national fiscal policy and for assisting the provinces to provide their citizens with a minimum of service. My government has always urged that the principles inherent in these arrangements be maintained and strengthened. However, the Government of Canada has declared that it no longer wishes to continue on the basis beyond the expiry date of the present agreement." I say, Sir, it would have been fitting for the First Minister of this province to have stated irrevocably to Ottawa that we do not accept your proposal. I said earlier, Sir, if I'm going to have to I appreciate the government having to introduce this bill. I said, Sir, that I am going to oppose it -- that we are going to oppose it. I said, Sir, that there should be more consideration given to this vital matter. Therefore, Sir, I move, seconded by the Honourable Member for Burrows, that this bill be not now read a second time, but read six months hence.

..... (Continued on next page)

Mr. Speaker put the question and after a voice vote declared the motion lost.

MR. ROBLIN: Mr. Speaker, may we have a recorder vote on this, please.

MR. SPEAKER: Call in the members.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Campbell, Desjardins, Dow, Froese, Gray, Guttormson, Harris, Hawryluk, Hillhouse, Hryhorczuk, Molgat, Orlikow, Paulley, Peters, Prefontaine, Reid, Roberts, Schreyer, Shoemaker, Tanchak, Wagner, Wright.

NAYS: Messrs. Alexander, Baizley, Bjornson, Carroll, Christianson, Corbett, Cowan, Evans, Groves, Hamilton, Hutton, Ingebrigtsen, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Roblin, Scarth, Seaborn, Shewman, Smellie, Stanes, Strickland, Thompson, Watt, Weir, Witney, Mrs. Forbes, Mrs. Morrison.

MR. CLERK: Yeas 22: Nays 34.

MR. SPEAKER: I declare the motion lost. The question before the House, the second reading of Bill No. 2, An Act respecting Income Tax be now read a second time. Are you ready for the question?

MR. M. N. HRYHORCZUK, Q.C. (Ethelbert Plains): Mr. Speaker, I beg to move, seconded by the Honourable Member for Selkirk that the debate be adjourned.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: Proposed resolution .....

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce, resolved that the Special Committee of the House appointed on the 14th day of April, 1961, to enquire into all phases of the livestock marketing system in Manitoba, be re-appointed for the same purpose and with the same powers and consist of the same members, being Mr. Shewman, Chairman; Messrs. Weir, George W. Johnson (Assiniboia), Roberts and Wagner, and that this Special Committee of the House shall have power to sit during the present session and in recess after prorogation and to report to this House on the matter referred to them at the next session of the Legislature, and that the Provincial Treasurer be authorized to pay out of the Consolidated Fund, to the members of the said Committee, the amount of expenses incurred by the members in attending the sittings of the Committee, or expenses incurred by the members in the performance of duties ordered by the Committee in recess, after prorogation, as may be deemed necessary by the Comptroller-General.

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Education, that the Standing Committee of the House appointed on the 9th day of March, 1961, as reconstituted and appointed on the 13th day of April, 1961, to examine all regulations made under The Regulations Act from June 1st, 1960, to February 14th, 1961, be re-appointed for the same purposes and with the same powers and consist of the same members, being Hon. Messrs. Lyon, McLean; Messrs. Christianson, Groves, Hillhouse, Hryhorczuk, Orlikow, Scarth, Smellie and Wright, and that this Standing Committee of the House have power to sit during the present session, and in recess, after prorogation, and to report to this House on the matters referred to them at the next Session of the Legislature and that the Provincial Treasurer be authorized to pay out of the Consolidated Fund to members of the said Committee, the amount of expenses incurred by the members attending the sittings of the Committee in recess, after prorogation, as may be deemed necessary by the Comptroller-General.

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that the speech of His Honour the Lieutenant-Governor be taken into consideration immediately.

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

MR. SPEAKER: Proposed motions of the Honourable the First Minister, seconded by the ..... You should make a motion.

MR. K. ALEXANDER (ROBLIN): Mr. Speaker, I beg to move, seconded by the Honourable Member for Minnedosa, that a humble address be presented to His Honour the Lieutenant-Governor as follows: To His Honour Errick F. Willis, Esquire, Q.C., M.A., L.L.B., Lieutenant-Governor of the Province of Manitoba. We, Her Majesty's dutiful and loyal subjects, the



(Mr. Alexander , cont'd) Legislative Assembly of Manitoba in session assembled, humbly thank Your Honour for the gracious speech which Your Honour has been pleased to address us at the opening of the present Session.

Mr. Speaker put the question.

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable Member for Carillon, that these debates be adjourned.

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Health and Public Welfare, that this House will, at its next sitting, resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Public Works, that this House will, at its next sitting, resolve itself into a Committee to consider Ways and Means for raising of the Supply to be granted to Her Majesty.

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, I have a message from His Honour the Lieutenant-Governor

MR. SPEAKER: His Honour Errick F. Willis, Lieutenant-Governor of the Province of Manitoba. The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba estimates of further sums required for the services of the Province for the fiscal year ending the 31st day of March 1962 and recommends these estimates to the Legislative Assembly.

MR. ROBLIN: Sir, I beg to move, seconded by the Honourable Minister of Labour, that the message of His Honour, the Lieutenant-Governor and the estimates accompanying the same, be referred to the Committee of Supply.

Mr. Speaker presented the motion and after a voice vote declared the motion carried.

MR. ROBLIN: Mr. Speaker, that completes our business for this afternoon so I would like to move that the House do now adjourn and stand adjourned until 8 o'clock this evening.

MR. MOLGAT: Mr. Speaker, before we proceed with that motion I would like to point out that I will not be prepared to proceed this evening. I did not get Hansard until 2 o'clock this afternoon -- I would like to peruse it, so possibly we should check to see what business there will be to be done this evening. We may be better off to leave the matter stand until 10:30 tomorrow morning or tomorrow afternoon.

MR. ROBLIN: Mr. Speaker, I appreciate my honourable friend speaking as he has done and I am sure that we will be more than willing to hear him tomorrow some time when he is ready. I would propose that we would meet tomorrow morning at 10:30, if that meets his convenience in respect to the Throne Speech, but I do point out that there is other business before us and we would like to meet tonight to advance those other matters one further stage -- it may be that some members will wish to speak on the question of the second reading of the bill as well.

MR. HRYHORCZUK: Mr. Speaker, I have the adjournment on the debate of the second reading of the bill and for the first time since I am in the House I am going to ask for indulgence of the House to let the matter stand so that I can get my material organized. I haven't had a chance to read the address delivered by the First Minister yesterday and I'd also like to consider the statements that were made by the Leader of the CCF this afternoon.

MR. ROBLIN: This is quite understandable, Mr. Speaker, but there may be other members who would be prepared to proceed and we can hold the adjournment for our honourable friend -- that's our custom around here when a request of that sort is made and I presume it will continue to be acceptable to the House. So I trust we would meet for a period tonight, it might not be long and it would advance these other measures one stage.

MR. MOLGAT: I'm agreeable to that. I just want to make sure that there wouldn't be any misunderstanding that no business be transacted.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and House adjourned until 8:00 o'clock this evening.